



Department of Justice

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**JUSTICE DEPARTMENT APPROVES PROPOSAL TO FACILITATE THIRD-PARTY
PAYOR CONTRACTING BY GEORGIA PODIATRISTS**

WASHINGTON, D.C. -- A Georgia foot-care network will be allowed to act as an intermediary for soliciting and managing managed care contracts between its members and third party payors under a proposal approved today by the Department of Justice's Antitrust Division.

The proposed network will be open to any member of the Georgia Podiatric Medical Association. The network, to be called Georgia Preferred Podiatric Medical Network, represents 92 of the state's 212 podiatrists.

The Department said the proposed activities are not likely to be anticompetitive because the network will function as a facilitator of managed care contracting between its members and payors. The network will not negotiate fees on behalf of its members, and members will be prohibited from discussing contract terms among themselves.

The Department's position was stated in a business review letter from Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, to counsel for the Georgia Preferred Podiatric Medical Network.

In addition, the Department said the discussions that payors may request with the network's agent concerning non-price issues

may be efficiency-enhancing, since they may assist plans in developing effective standards of care and cost controls. Also, since the network will be nonexclusive, its members will be free to continue to participate in competing networks and panels serving managed care enrollees and to join as many additional networks and panels as they please.

The Department said the network should benefit managed care plans and their enrollees through efficiencies that may result from payors' ability to contract with a large group of podiatrists through a single representative and from utilization review and quality assurance monitoring.

Under the Department's business review procedure, an organization may submit a proposed action to the Antitrust Division and receive a statement as to whether the Division will challenge the action under the antitrust laws.

A file containing the business review request and the Department's response may be examined in the Legal Procedure Unit of the Antitrust Division, Room 215 North, Liberty Place, Department of Justice, Washington, D.C. 20530. After a 30-day waiting period, the documents supporting the business review will be added to the file.

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